BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of)				
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 2008-0273			
Instituting a Proceeding to Investigate the Implementation of Feed-in Tariffs.))) _)		PUBLIC UTILITI	Z008 DEC 31 ▲ 1	

ALEXANDER & BALDWIN, INC. through its division HAWAIIAN COMMERCIAL & SUGAR COMPANY'S COMMENTS TO SCOPING PAPER

AND

CERTIFICATE OF SERVICE

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OF THE STATE OF HAWAII

DOCKET NO. 2008-0273

ALEXANDER & BALDWIN, INC. through its division HAWAIIAN COMMERCIAL & SUGAR COMPANY'S COMMENTS TO SCOPING PAPER

TO THE HONORABLE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII:

ALEXANDER & BALDWIN, INC., through its division, HAWAIIAN COMMERCIAL & SUGAR COMPANY, a Hawaii corporation ("HC&S") hereby submits to the Hawaii Public Utilities Commission (the "Commission") its comments to the Scoping Paper on feed-in tariffs, "Feed-in Tariffs: Best Design Focusing Hawaii's Investigation", issued by the Commission on December 11, 2008.

Comments:

1. HC&S does not entirely agree with the premise that "the parties regard avoided energy based on fossil fuel prices for renewable energy contracts as a vestige of the past." In designing feed-in tariffs it is important for the Commission to recognize that variable costs change with output. Some renewable resources, such as wind, have few or no variable costs.

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¹ Scoping Paper at 3.

But other renewable resources have variable costs associated with the price of fuel.² The Scoping Paper cites biofuels as a renewable resource with variable cost associated with the price of fuel.³ HC&S agrees with the Scoping Paper, but would also include biomass.

2. The Scoping Paper does not discuss how the technical attributes of a renewable resource will be accounted for. For example, higher annual feed-in tariff quantity targets or higher rates should be set for renewable resources that support reliable grid management such as low-frequency ride through, the ability to provide reactive power, and grid stabilization and frequency regulation.

Respectfully submitted.

DATED: Honolulu, Hawaii, December 31, 2008.

Attorney for Alexander & Baldwin, Inc. through its division Hawaiian Commercial & Sugar Company

² Id. at 7.

³ IA

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The foregoing Comments to Scoping Paper was served on the date of filing by mail,

postage prepaid, hand delivery, or electronically transmitted to each such Party.

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